

Assembly Bill No. 2889

Passed the Assembly May 5, 2016

Chief Clerk of the Assembly

Passed the Senate August 11, 2016

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2016, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Section 11019 of the Government Code, relating to state government.

LEGISLATIVE COUNSEL'S DIGEST

AB 2889, Committee on Health. State government.

Existing law authorizes specified state departments and authorities, upon determination that an advance payment is essential for the effective implementation of a program, to advance to a community-based private nonprofit agency with which it has contracted for the delivery of services, funds not exceeding 25% of the annual allocation to be made to the agency during the fiscal year. Existing law requires these departments and authorities to develop a plan to establish control procedures for advance payments. Existing law requires a plan to be approved by the Department of Finance and to include a procedure for determining whether an advance payment is essential for the effective implementation of a program.

This bill would include the State Department of Public Health in the list of specified state departments and authorities.

The people of the State of California do enact as follows:

SECTION 1. Section 11019 of the Government Code is amended to read:

11019. (a) Any department or authority specified in subdivision (b) may, upon determining that an advance payment is essential for the effective implementation of a program within the provisions of this section, and to the extent funds are available, advance to a community-based private nonprofit agency with which it has contracted, pursuant to federal law and related state law, for the delivery of services, not to exceed 25 percent of the annual allocation to be made pursuant to the contract and those laws during the fiscal year to the private nonprofit agency. Advances in excess of 25 percent may be made on contracts financed by a federal program when the advances are not prohibited by federal guidelines. Advance payments may be provided for services to be

performed under any contract with a total annual contract amount of four hundred thousand dollars (\$400,000) or less. This amount shall be increased by 5 percent, as determined by the Department of Finance, for each year commencing with 1989. Advance payments may also be made with respect to any contract that the Department of Finance determines has been entered into with any community-based private nonprofit agency with modest reserves and potential cashflow problems. No advance payment shall be granted if the total annual contract exceeds four hundred thousand dollars (\$400,000), without the prior approval of the Department of Finance.

The specific departments and authority mentioned in subdivision (b) shall develop a plan to establish control procedures for advance payments. Each plan shall include a procedure whereby the department or authority determines whether or not an advance payment is essential for the effective implementation of a particular program being funded. Each plan shall be approved by the Department of Finance.

(b) Subdivision (a) shall apply to the Emergency Medical Services Authority, the California Department of Aging, the State Department of Developmental Services, the State Department of Alcohol and Drug Programs, the Department of Corrections and Rehabilitation, including the Division of Juvenile Justice, the Department of Community Services and Development, the Employment Development Department, the State Department of Health Care Services, the State Department of Public Health, the State Department of State Hospitals, the Department of Rehabilitation, the State Department of Social Services, the Department of Child Support Services, the State Department of Education, the area boards on developmental disabilities, the State Council on Developmental Disabilities, the Office of Statewide Health Planning and Development, and the California Environmental Protection Agency, including all boards and departments contained therein.

Subdivision (a) shall also apply to the California Health and Human Services Agency, which may make advance payments, pursuant to the requirements of that subdivision, to multipurpose senior services projects as established in Chapter 8 (commencing with Section 9560) of Division 8.5 of the Welfare and Institutions Code.

Subdivision (a) shall also apply to the Natural Resources Agency, including all boards and departments contained in that agency, which may make advance payments pursuant to the requirements of that subdivision with respect to grants and contracts awarded to certified local community conservation corps.

(c) A county may, upon determining that an advance payment is essential for the effective implementation of a program within the provisions of this section, and to the extent funds are available, and not more frequently than once each fiscal year, advance to a community-based private nonprofit agency with which it has contracted, pursuant to any applicable federal or state law, for the delivery of services, not to exceed 25 percent of the annual allocation to be made pursuant to the contract and those laws, during the fiscal year to the private nonprofit agency.

Approved _____, 2016

Governor